

NEW COMMISSIONER FOCUSES ON HOUSING AND SMART GROWTH

Welcoming the challenge of working with 566 municipalities instead of just one, the new Department of Community Affairs Commissioner Susan Bass Levin is intent on making DCA and its sister agencies work more efficiently and effectively for New Jersey residents.

"Mayors know their job is to fix things, to make things work better. I took that same mindset with me to DCA. I want to get results for the people of New Jersey. There are so many issues and concerns that need addressing in this state. I want DCA and HMFA to be a resource for towns, cities, counties and community organizations," said Commissioner Levin.

As mayor of Cherry Hill for 14 years, Levin is credited with dealing proactively with the advancing signs of "middle age" of a large, post-World War II suburb near Philadelphia. She dedicated new resources to infrastructure, such as sewers and parks, stabilized aging neighborhoods and shopping centers, and held taxes stable for twelve consecutive years.

She was also a strong advocate for the revitalization of the neighboring city of Camden and a voice for stronger urban-suburban cooperation.

DCA and HMFA have a number of initiatives to address the need for affordable housing and to revitalize our cities. Since her swearing in on January 24, Commissioner Levin has participated in the ground breaking for a HOPE VI development in Camden and the grand opening of the Donald C. Bradley Apartments in Newark.

"It's not just about bricks and mortar," Commissioner Levin said. "When I say housing, I want to make sure that as we build housing, we're building parks and we're building sidewalks and we're building streetlights and we're building communities. That's what needs to be done, and that's what the goal of this organization will be."

Programs like Main Street New Jersey, the Urban Home Ownership Recovery Program and an emphasis on adaptive re-use have contributed to the rebirth seen in cities across the state. In Jersey City, Newark, New Brunswick, Perth Amboy, Elizabeth, Long Branch and Trenton these programs have brought new construction, new business and new housing opportunities. Commissioner Levin supports continued investment in our cities, focusing on improvements that will attract new business and residents of all incomes.

"We can also go a long way toward alleviating New Jersey's housing affordability problem and spurring urban revitalization by implementing smart growth. That will be another major focus of mine at DCA," said Commissioner Levin.

In January, Governor McGreevey created the Smart Growth Policy Council. This cabinet-level body will allow the heads of different agencies to make policy decisions together in a way that advances smart growth. In support of the council, Commissioner Levin created the Office of Smart Growth within DCA to work with local governments and state agencies to incorporate smart growth and the State Plan into their policies and decision making.



*Susan Bass Levin
DCA Commissioner and HMFA Chairman*

In addition to her post at DCA, Commissioner Levin serves on the Board of Directors for Ceasefire New Jersey, Women's Fund of New Jersey, New Jersey Alliance for Action and the South Jersey Development Council. Commissioner Levin is also a member of the United States Holocaust Memorial Council, former Co-Chair of the New Jersey Higher Education Alliance, a founding member of Cherry Hill Alliance Against Alcohol and Drug Abuse and founder of Side-by-Side, a support group for victims of domestic violence. She has received the Governor's Award for Mayoral Volunteerism, Philadelphia Business Journal Women of Distinction Award, Douglass College's New Jersey Women of Achievement Award, Barbara Boggs Sigmund Award and Woman of the Year of various civic organizations.

UHORP PHASE X FUNDS AWARDED

Cities across New Jersey have seen an increase in affordable and market rate homeownership opportunities through HMFA's Urban Home Ownership Recovery Program (UHORP). With the addition of the latest round of funding, UHORP has financed the construction of over 2,600 units in 22 urban areas. Funding commitments for Phase X were awarded in March to nine developments in the cities of Camden, Elizabeth, Long Branch, Newark and Trenton. HMFA committed \$26.1 million in financing and subsidies for the construction of 344 total units.

PROJECT NAME	CITY	TOTAL DEVELOPMENT COST	UNITS
APPLE TREE VILLAGE	ELIZABETH	\$4,152,000	30
PROCTOR ESTATES	LONG BRANCH	\$6,914,930	48
WESTFIELD ACRES HOPE VI- PHASE III	CAMDEN	\$5,030,430	31
COMMUNITY LINKS II	CAMDEN	\$4,770,000	50
WEST WIND ESTATES	NEWARK	\$5,185,000	50
SUNRISE HOUSING	NEWARK	\$4,578,300	44
NORTH WILLOW GREEN	TRENTON	\$5,562,333	35
ADAM CLAYTON POWELL JR. TOWNHOMES	NEWARK	\$4,960,000	35
UNITED COMMUNITY VILLAGE II	NEWARK	\$3,535,000	21
TOTAL		\$44,687,993	344

AGENCY DEBUTS LEASE TO PURCHASE OPTION

Many low- and moderate-income New Jersey residents would like to own a home but are unable to save for a downpayment and are encumbered by a less than stellar credit rating. These obstacles to homeownership can be overcome with help from HMFA's new demonstration Equity 24 Lease/Purchase Program.

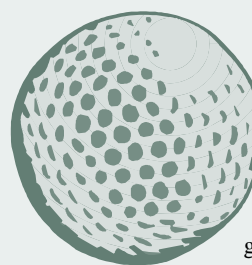
HMFA has selected a portfolio of homes and condominiums for sale through the Lease/Purchase program from the Agency's list of foreclosure properties. A list of qualified properties is available by calling the HMFA hotline. Prospective lease holders contact the realtors listing the properties to view them. Once a property has been selected, HMFA will pre-qualify the potential lease holder by conducting a full underwriting analysis. Eligible buyers must be first time home buyers unless the property is located in an HMFA target area. HMFA Home Buyer income and purchase price limits will apply.

For a non-refundable \$300 fee, prospective buyers can begin leasing the home for two years. Lease payments will equal the monthly mortgage payment on the home as if they were purchasing the home now. A portion of the payment will be set aside each month to be used as a downpayment and for closing costs when the buyer purchases the home at the end of the two year period.

The program is designed to allow applicants to use the lease period to bring unacceptable credit to an acceptable level. During the lease period the buyer will be required to attend a homeownership and personal finance education program taught by an HMFA approved counselor. At the end of the two year lease period, the lease holder will be re-qualified for the mortgage by an HMFA approved lender. Buyers also have the option to obtain a mortgage from another lender. Mortgage loans from HMFA will be insured and underwritten by the Federal Housing Administration (FHA) according to their guidelines.



CHARITY GOLF OUTING TO FUND SCHOLARSHIPS



This year's charity golf outing sponsored by HMFA and the New Jersey Affordable Housing Management Association (JAHMA) raised money to fund scholarships for high school seniors, high school graduates and senior citizens living at JAHMA member-affiliated properties. The one-day golf outing took place at the Seaview Marriott Resort Pines Course in Absecon, New Jersey, on Wednesday, April 17.

Proceeds of \$20,000 raised at last year's golf outing were presented to three HMFA-financed housing developments for the creation or enhancement of a computer learning center. The developments, two family projects and one senior project, used the funds toward programs that enhance the residents' computer skills.

The JAHMA Foundation is seeking scholarship applicants who are attending or planning to attend college or a trade/professional institute in the 2002/2003 school year. Selection criteria include academic performance, character, and/or potential in a chosen field of study. Applicants will be asked to supply official transcripts, two references and a 400-word essay. The JAHMA Foundation anticipates minimum individual awards to begin at \$500. At least one-third of the scholarship funds available will be presented to residents of JAHMA affiliated senior citizen developments.

Students may request an application by calling 856-786-9590. The application deadline is May 24, 2002. Awards will be announced in June.

2002 SECOND QUARTER RULEMAKING CALENDAR

IN ACCORDANCE WITH THE ADMINISTRATIVE PROCEDURE ACT, N.J.S.A. 52:14B-1 ET SEQ., THE NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY HAS PREPARED THE FOLLOWING RULEMAKING CALENDAR. THE CALENDAR LISTS RULE PROPOSALS THAT THE AGENCY ANTICIPATES PUBLISHING IN THE NEW JERSEY REGISTER IN APRIL THROUGH SEPTEMBER 2002.

CITATION: N.J.A.C. 5:80-1.5 ET SEQ., GENERAL PROVISIONS

SYNOPSIS: RULE DESCRIBING OUR ORGANIZATION AND RULES OF PRACTICE PURSUANT TO REQUIREMENT AT N.J.A.C. 1:30-2.9.

AUTHORITY: N.J.S.A.55:14K-5G

ANTICIPATED NEW JERSEY REGISTER PUBLICATION: [APRIL] MAY 2002

CITATION: N.J.A.C. 5:80-5.10, PREPAYMENT

SYNOPSIS: PROVIDES AN EXCEPTION TO PREPAYMENT RESTRICTIONS WHEN REDUCTION OF SECTION 8 OR SECTION 236 SUBSIDIES ARE SET BY HUD, TO COINCIDE WITH HUD PRACTICES.

AUTHORITY: N.J.S.A.55:14K-5G

ANTICIPATED NEW JERSEY REGISTER PUBLICATION: MAY 2002

CITATION: N.J.A.C. 5:80-3-5, RETURN ON EQUITY; TRANSFER OF OWNERSHIP INTERESTS

SYNOPSIS: ALLOWS DEVELOPERS PARTICIPATING IN SMART LIVING PROGRAM TO RECEIVE A RATE OF RETURN ON EQUITY COMPETITIVE WITH OTHER INVESTMENT OPPORTUNITIES AND TO ALLOW PREPAYMENT OF FIRST MORTGAGE AFTER 10 YEARS.

AUTHORITY: N.J.S.A.55:14K-5G

ANTICIPATED NEW JERSEY REGISTER PUBLICATION: [APRIL] JUNE 2002

CITATION: N.J.A.C. 5:80- 8.3, OCCUPANCY REQUIREMENTS FOR HOUSING PROJECTS

SYNOPSIS: REVISES AGENCY REGULATIONS TO COMPLY WITH STATE LAW FOR MEDICAID-ELIGIBLE PERSONS IN ASSISTED LIVING FACILITIES.

AUTHORITY: N.J.S.A.55:14K-5G

ANTICIPATED NEW JERSEY REGISTER PUBLICATION: JUNE 2002

CITATION: N.J.A.C. 5:80-32.1 ET SEQ., HOUSING INVESTMENT SALES

SYNOPSIS: PROVIDES ADDITIONAL OPTIONS FOR PARTICIPANTS IN HOUSING INVESTMENT SALES, TO MAKE PROGRAM MORE ATTRACTIVE TO PARTICIPANTS.

AUTHORITY: N.J.S.A.55:14K-5G

ANTICIPATED NEW JERSEY REGISTER PUBLICATION: [MAY] JULY 2002

CITATION: N.J.A.C. 5:80-9.13, RENT INCREASES FOR LOW AND/OR MODERATE INCOME PROJECTS

SYNOPSIS: WITHOUT FEDERAL PROJECT-BASED RENT SUBSIDIES

SYNOPSIS: AUTHORIZES ANNUAL RENT INCREASES AT AGENCY-FINANCED PROPERTIES AT SAME RATE AS INCREASE IN CPI, UP TO 4.5%, TO ALLOW THESE INCREASES WITHOUT ANNUAL APPLICATION TO AGENCY.

AUTHORITY: N.J.S.A.55:14K-5G

ANTICIPATED NEW JERSEY REGISTER PUBLICATION: [MARCH] JULY 2002

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SEPTEMBER 26 & 27, 2002

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NOTES FROM CAPITOL HILL

**By Greg Adkins
Chief of Policy and Planning**

The National Council of State Housing Agencies (NCSHA) reports that representatives from 45 state housing finance agencies converged on Capitol Hill in March for its 2002 Legislative Conference. Speakers included Conrad Egan, executive director of the Millennial Housing Commission, commissioned by the United States Congress.

Egan summarized the work of the Commission as it seeks to identify, analyze, and develop recommendations that highlight the importance of housing, improve the housing delivery system, and provide affordable housing for the American people, including recommending possible legislative and regulatory initiatives. The Millennial Housing Commission's report is due to be released to Congress by May 30, 2002.

Members of Congress who addressed the conferees disagreed over the likelihood that there would be another tax bill before the 107th Congress adjourns. The tax bill is seen as the most likely vehicle for the changes sought in the Housing Bond and Credit Modernization and Fairness Act introduced as HR951 in the House and S. 677 in the Senate.

Some members believe that chances are slim for introduction of another tax bill as the Congress wrestled with the Economic Stimulus Bill before its recent passage. Other members believe that there is still time for another tax bill given the quick action taken to get Economic Stimulus passed.

However, all agree that the key work is in attracting additional cosponsors to HR951 and S. 677 so that the bills will have the strength to hitch a ride with any tax measure that surfaces. HR951 has 284 house cosponsors while S. 677 has 53 Senate cosponsors as of March 27, 2002.



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UPCOMING EVENTS		HOME FRONT SPRING 2002
APRIL		<p>Home Front is a newsletter produced by the New Jersey Housing and Mortgage Finance Agency (HMFA). HMFA creates and implements programs to advance the rehabilitation, construction and financing of affordable housing for the state's residents, lenders, developers, and contractors. HMFA is the state administrator for federal housing assistance programs, and works in cooperation with state, municipal and not-for-profit agencies. HMFA secures program funding and operating expenses through the sale of taxable and tax-exempt bonds to private sector investors, and is not dependent upon funding from the state Treasury.</p> <p>EDITORS SUSAN SANDS AMANDA SACCO</p> <p>CONTRIBUTING STAFF CLAUDIA LOVAS GREG ADKINS</p> <p>GRAPHIC DESIGN ANA MARIA RIVERA-PRAMUK</p> <p>MAIN SWITCHBOARD: 609-278-7400 HOTLINE: 1-800-NJ-HOUSE www.nj-hmfa.com</p>
6TH	•SOMERSET COUNTY HOUSING FAIR	
8TH-12TH	•HOPE SEMINARS	
10TH-12TH	•ATLANTIC BUILDERS CONVENTION	
17TH	•JAHMA CHARITY GOLF OUTING	
18TH-19TH	•HMFA/JAHMA SPRING MANAGEMENT EVENT	
19TH	•HOPE SEMINAR	
18TH	•HMFA BOARD MEETING	
27TH	•SAYREVILLE FAITH FELLOWSHIP COMMUNITY DEVELOPMENT HOMEBUYERS' FAIR	
MAY		
16TH	•HMFA BOARD MEETING	
18TH	•NEPTUNE FIRST TIME HOMEBUYERS' FAIR	
JUNE		
21ST	•LIHTC APPLICATION DEADLINE •MERCER COUNTY HOUSING FAIR	
JULY		
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